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**CHEVY CHASE VILLAGE  
BOARD OF MANAGERS  
SEPTEMBER 9, 2013 MEETING**

**STAFF REPORT**

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**TO:** BOARD OF MANAGERS  
**FROM:** SHANA R. DAVIS-COOK, VILLAGE MANAGER.   
**DATE:** 8/29/2013  
**SUBJECT:** STAFF BENEFITS CONTRACT: WORKERS' COMPENSATION

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The Village's contract for workers' compensation insurance expires September, 2013. Our broker has shopped the market for additional carriers, however, only our current carrier responded. The Injured Worker's Insurance Fund (IWIF) has submitted a quote for coverage at the annual cost of **\$60,815.00**. The premium is calculated by the rate for the employee class (clerical, police, etc.), per \$100 of reported salary<sup>1</sup>.

As the Village's carrier for several years, IWIF provides to us several discounts and loss control incentives due to our low claim history and internal efforts to ensure employees are trained and provided with the equipment and gear needed to perform their duties safely. This year's quote reflects a credit of \$63,749 due to these factors.

Quotes were requested from the following carriers who declined to offer coverage, all citing the exposure risks related to our municipal police department:

- Swett & Crawford
- USG Insurance
- Allrisk Limited

**Board Action Requested/Draft Motion**

I move to authorize the Village Manager to enter into a contract with the Injured Worker's Insurance Fund for workers' compensation coverage effective September 9, 2013 through September 9, 2014.

**Attachment**  
Policy Renewal Profile from Injured Workers' Insurance Fund (IWIF)

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<sup>1</sup> See attached rate sheet.



8722 Loch Raven Blvd  
Towson, Maryland 21286-2235  
Phone 410-494-2000

## POLICY RENEWAL PROFILE

Profile Created on July 11, 2013

**POTOMAC BASIN GROUP ASSOCIATES LLC  
4740 CORRIDOR PL STE B  
BELTSVILLE MD 20705**

**Re: Policy No: 2134608 RT  
Renewal Term: 09/09/2013 to 09/09/2014  
Named Insured: CHEVY CHASE VILLAGE**

Dear Producer,

The captioned policy will expire on 09/09/2013. We are pleased to offer the enclosed premium quotation and profile for the renewal policy. If you have any questions, please contact our Customer Service Center at 1-800-264-4943.

The renewal contemplates a premium payment plan of 10 installment(s). For other than annual payment plans there is a \$7.00 installment fee applicable to each installment. Installment fees may be avoided by paying either the full estimated annual premium in advance or by utilizing fewer installments.

In order to provide uninterrupted coverage, we must receive the initial premium of \$7,301 + \$7.00 for a total of \$7,308 by 09/09/2013. (Please allow 5 days for mailing.). **We must receive your payment or we will not renew your policy, and your coverage will cease at 12:01 a.m. 09/09/2013. In addition, any prior balance owed must be paid according to the information contained in your last invoice. Please return the attached profile along with your payment.**

Thirty (30) days prior to expiration, we will forward a remittance advice directly to the insured, indicating the estimated premium and requesting the initial payment of \$7,301 + \$7.00 for a total of \$7,308 by 09/09/2013. The estimated premium will reflect the most recent premium quotation we have developed.

Thank you for considering IWIF as your workers' compensation carrier of choice. If you have any questions, please contact us at the number indicated above.

At IWIF, we are committed to offering our customers superior products and services. We look forward to receiving your request for renewal coverage.

**RECEIVED**  
**JUL 15 2013**  
BY: \_\_\_\_\_

**IWIF**

Policy No: 2134608 Insured: CHEVY CHASE VILLAGE

Renewal Term: 09/09/2013 to 09/09/2014

**Addresses**

Type	Address 1	Address 2	City	State	Zip	Phone
ING		5906 CONNECTICUT AVE	CHEVY CHASE	MD	20815	301-654-7300
ROLL		5906 CONNECTICUT AVE	CHEVY CHASE	MD	20815	301-654-7300
PRIMARY		5906 CONNECTICUT AVE	CHEVY CHASE	MD	20815	301-654-7300

**Officers**

Name	Title	SSN	Class	Insured	% Owned
GAIL FELDMAN- GARY CROCKETT	TREASURER	XXX-XX-	00000	No	0

**Trading- As**

Name	Effective
None Currently on File	

**Additional Insureds**

Name	Effective	FEID
None Currently on File		

**Renewal Quotation**

Class	Type	Description	# of Emp.	Insured's Projection	Payroll	Rate	Premium
88100	RT	CLERICAL OFFICE EMPLOYEES N O C			\$694,806	\$0.41	\$2,849
90370	RT	TOWNSHIP, MUNICIPALITY; ALL EMP EXCL CLERIC/			\$446,343	\$6.54	\$29,191
90380	RT	TOWNSHIP OR MUNICIPAL POLICE			\$725,141	\$12.61	\$91,440
90390	RT	FIREFIGHTERS & D, NOT VOLUNTEERS - TOWNSHIP			\$0	\$9.47	\$0
98980	RT	EXPERIENCE MOD ADJUSTMENT	0.67				-\$40,748
98870	RT	LOSS CONTROL INCENTIVE					-\$15,719
9640	RT	PREMIUM DISCOUNT					-\$7,282
900	RT	EXPENSE CONSTANT					\$150
97400	RT	TERRORISM					\$747
97410	RT	CATASTROPHE					\$187

POLICY MINIMUM PREMIUM

\$984

ESTIMATED TERM PREMIUM

\$60,815

**Certificate Holders**

Please indicate in the check box certificates to be issued at policy renewal

Re-Issue

Requestor

Last Issue Date

None Currently on File

1. Has the type of business operations changed from last year ?

NO.

2. Has there been a change in the ownership of the business ?

If so, please indicate change to Officer/Owners information on this profile.

NO.

3. Has the type of business entity changed ?

If so, please indicate change here and the date change occurred.

NO.

I understand that any false or misleading information made by me on this policy profile may constitute fraud and subject me to criminal and/or civil penalties. I wish to renew this policy subject to the premium rates contained herein.

\_\_\_\_\_  
Signature of Officer, Owner or Agent

\_\_\_\_\_  
Date

*For your convenience, we provide you with the option of paying your renewal premium through use of your credit card. Please complete the information below if you should elect this option.*

**Policy Number: 2134608**

AMOUNT ENCLOSED \$ \_\_\_\_\_

Method: Check / MoneyOrder \_\_\_\_\_ Visa \_\_\_\_\_ MC \_\_\_\_\_

CREDIT CARD NO. \_\_\_\_\_

EXPIRATION DATE \_\_\_\_\_

SIGNATURE \_\_\_\_\_

# **POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE**

Coverage for acts of terrorism is included in your policy premium quotation.

On December 26, 2007, the President of the United States signed into law amendments the Terrorism Risk Insurance Act of 2002 (the "Act") which, among other things, extended the Act and expanded its scope. The Act establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in the Act) caused by "acts of terrorism". An "act of Terrorism" is defined in Section 102(I) of the Act to mean any act that is certified by the Secretary of Treasury - in concurrence with the Secretary of State and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The federal government's share of compensation for Insured Losses is 85% of the amount of Insured Losses in excess of each Insurer's statutorily established deductible, subject to the "Program Trigger", (as defined in the Act). In no event however, will the federal government or any Insurer be required to pay any portion of the amount of aggregate Insured Losses occurring in any one year that exceeds \$100 billion provided that such Insurer has met its deductible. If the aggregate Insured Losses exceed \$100 billion in any one year, your coverage may be therefore reduced.

The portion of your annual premium that is attributable to the coverage for acts of terrorism is: .04 per \$100 of total remuneration, and does not include any charges for the portion of losses covered by the United States government under the act.

Name of Insurer: **Injured Workers' Insurance Fund (IWIF)**  
Application Number: **2134608**  
Named Insured: **CHEVY CHASE VILLAGE**

**This notice contains important policy information.  
Please retain it with your coverage quotation.**

